

**ASSEMBLY BILL**

**No. 53**

**Introduced by Assembly Member Negrete McLeod**

December 6, 2004

An act relating to state government.

LEGISLATIVE COUNSEL'S DIGEST

AB 53, as introduced, Negrete McLeod. State agency consolidation.

Existing law requires state agencies to conduct ongoing performance reviews to, among other things, reduce the costs of state government and plan for the effective administration of government programs.

This bill would declare the Legislature's intent to build upon efforts to, eliminate governmental waste and inefficiency, consolidate 5 separate state agencies into a single entity with specified responsibilities, create an Office of Management and Budget with responsibility for the state's fiscal affairs, personnel management, and procurement systems, and consolidate the Teale Data Center and the Health and Human Services Data Center.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. (a) The Legislature finds and declares all of the
- 2 following:
- 3 (1) In 1965 the state began decentralizing its budget, human
- 4 resources, procurement, and other state government support
- 5 functions into separate departments.

1 (2) The development of the state budget has remained a labor  
2 intensive and highly specialized effort that could be  
3 accomplished more efficiently and transparently with the use of  
4 appropriate technology.

5 (3) The contracting, procurement, and facility support  
6 functions of state agencies have been an ongoing source of costly  
7 government failures that lack the accountability and transparency  
8 necessary to maintain the public's trust that government contracts  
9 are awarded based on the best value for taxpayers.

10 (4) The human resource functions of state government have  
11 become unmanageable and fragmented with disparities in  
12 classifications and compensation among state departments with  
13 similar functions.

14 (5) The state maintains two separate data centers with  
15 duplicative management, property, and equipment.

16 (b) It is the intent of the Legislature in enacting this act to do  
17 all of the following:

18 (1) Build upon the goals and efforts of the Legislature when it  
19 enacted legislation in 1994 requiring an ongoing performance  
20 review of state government operations to eliminate waste,  
21 inefficiency, red tape, as well as reduce the costs of state  
22 government and improve the delivery of services to the people.

23 (2) Reduce administrative costs and streamline government  
24 operations by consolidating five separate state departments into a  
25 single entity with responsibility for budget development,  
26 contracting, procurement, facility and operations support, data  
27 storage, and human resource functions with centralized  
28 responsibility and accountability for support of state government  
29 operations.

30 (3) Implement the recommendations of the Legislature  
31 embodied in the Annual Budget Act of 2003 with respect to the  
32 consolidation of the Teale Data Center and the Health and  
33 Human Services Data Center.

34 (4) Develop the California Performance Review's  
35 recommendation to create an Office of Management and Budget  
36 with responsibility for management of the state's fiscal affairs,  
37 personnel management, and procurement systems.